

Message Text

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ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 NSCE-00 /026 W

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O R 091900Z DEC 76

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC NIACT IMMEDIATE 6554

INFO AMCONSUL DHAHRAN

S E C R E T JIDDA 7941

EXDIS

E.O. 11652: GDS

TAGS: ENRG, SA, US, PFOR, EIND

SUBJECT: KINGS LETTER TO PRESIDENT FORD ON OIL PRICES AND
BOYCOTT

1. EMBASSY RECEIVED TELEGRAM FROM KING KHALID TO PRESIDENT FORD
ON THURSDAY, DECEMBER 9: TELEGRAM WAS IN FORM OF LETTER AND
ORIGINAL WILL BE POUCHED TO NEA/ARP, ATTN: MR. CECIL. EMBASSY
TRANSLATION FOLLOWS:

QUOTE:

DATE: 18/12/1396 AH CORRESPONDING TO 9/12/1976 AD
TELEGRAM

HIS EXCELLENCY PRESIDENT GERALD R. FORD
PRESIDENT OF THE UNITED STATES OF AMERICA
WASHINGTON

THE AMBASSADOR OF THE KINGDOM OF SAUDI ARABIA IN
WASHINGTON INFORMED ME OF YOUR EXCELLENCY'S ORAL MESSAGE
AND OF THE FRIENDLY DISCUSSION THAT TOOK PLACE BETWEEN
YOUR EXCELLENCY AND HIMSELF ABOUT THE POSITION WHICH THE
MEMBERS OF OPEC MIGHT TAKE CONCERNING THE PRICES OF
OIL AT THEIR COMING MEETING.

I AM HAPPY TO CONVEY TO YOUR EXCELLENCY MY DEEP
THANKS AND EXTREME APPRECIATION FOR YOUR EXPRESSIONS OF
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GOOD FEELING TOWARD ME, AND TOWARD THE KINGDOM OF SAUDI

ARABIA. I LIKEWISE APPRECIATE THE PERCEPTION AND UNDERSTANDING YOU SHOWED CONCERNING THE INTERNATIONAL SITUATION IN GENERAL, AND THE POSITION OF THE POOR AND DEVELOPING STATES IN PARTICULAR, WHEN ANY INCREASE OCCURS IN THE PRICE OF OIL.

CONCERNING THE PRICE OF OIL, WE APPRECIATE YOUR EXCELLENCY'S CLARIFICATION, AND UNDOUBTEDLY YOU APPRECIATE THE EFFORTS WHICH THE KINGDOM MADE TO FREEZE THE PRICE OF OIL FOR 15 MONTHS; WE DEFINITELY WANTED TO PROLONG THIS PERIOD AT THE COMING MEETING OF OPEC. HOWEVER, THE INCREASING DEMAND FOR OIL HAS LED TO A RISE IN ITS PRICE. LIGHT ARABIAN CRUDE IS NOW SELLING AT MORE THAN \$12 PER BARREL INSTEAD OF \$11.51--THAT IS, AN INCREASE OF 5 PERCENT ABOVE THE POSTED PRICE. THE CONSUMER IN EUROPE AND AMERICA AND JAPAN, MOREOVER, IS PAYING THIS PRICE, WHILE THE OIL COMPANIES ARE BENEFITING FROM THE DIFFERENTIAL. THE PRICES OF PETROLEUM FROM OTHER MEMBER NATIONS IN OPEC HAVE RISEN BY MORE THAN 5 PERCENT. THE KINGDOM, NEVERTHELESS, SHALL CONTINUE ITS EFFORTS WITH ITS FRIENDS IN OPEC TO LIGHTEN THE BURDEN, AND TO ARRIVE AT THE LOWEST INCREASE (IN THE PRICE OF OIL) THAT IS REASONABLE AND ACCEPTABLE.

THERE IS ANOTHER MATTER WHICH WAS TOUCHED ON IN THE DISCUSSION THAT TOOK PLACE BETWEEN YOUR EXCELLENCY AND THE SAUDI ARABIAN AMBASSADOR, NAMELY, THE MATTER OF THE OPPOSITION TO THE BOYCOTT OF ISRAEL.

YOUR EXCELLENCY:

THE ARAB BOYCOTT OF ISRAEL WAS NOT BORN YESTERDAY OR TODAY; RATHER IT DATES BACK 25 YEARS, (AND WE BELIEVE) THAT THIS TOPIC IS BEING RAISED NOW ONLY TO DIVIDE AND DISRUPT THE TRADITIONAL FRIENDSHIP WHICH BINDS THE UNITED STATES WITH ITS TRADITIONAL FRIENDS. THE ARAB STATES, MOREOVER, ARE NOT THE FIRST TO IMPOSE A BOYCOTT: NUMEROUS OTHER STATES HAVE TAKEN, AND ARE TAKING, AND SHALL TAKE SIMILAR MEASURES WHEN THE CIRCUMSTANCES REQUIRE--AND AMONG THEM
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IS THE UNITED STATES OF AMERICA ITSELF. AND AS FOR LIFTING THE BOYCOTT, THIS IS A MATTER WHICH RELATES TO WHAT ISRAEL MANIFESTS IN THE WAY OF GOOD INTENTIONS AND TO ISRAEL'S RESPONSIVENESS IN ACCEPTING A PEACEFUL, JUST, AND PERMANENT SETTLEMENT THAT WILL SATISFY ALL PARTIES TO THE CONFLICT.

I MUST NOT FAIL TO POINT OUT THAT I NOTED WITH PRAISE AND GRATIFICATION PRESIDENT-

ELECT JIMMY CARTER'S REMARK THAT THE STATE-
MENTS DURING HIS ELECTORAL CAMPAIGN ABOUT AID
TO ISRAEL WERE AIMED AT LOCAL CONSUMPTION ONLY, AND
THAT HE WOULD OPPOSE THE PASSAGE OF ANY LAW IN
THE FUTURE AGAINST THE BOYCOTT OF ISRAEL. (WE ESTEEM ALSO
HIS STATEMENT) THAT HE WOULD PRESSURE ISRAEL
NOT TO TAKE ANY AGGRESSIVE ACTION AGAINST THE
ARABS IN THE SOUTH OF LEBANON. THIS IS UNDOUBTEDLY
A GOOD OMEN FOR THE TERM OF THE PRESIDENT ELECT, AND
FOR THE SAKE OF HIS COUNTRY AND THE ENTIRE
WORLD. WE WISH HIM SUCCESS AND GOOD FORTUNE DURING HIS TERM
IN OFFICE. I EXPRESS TO YOUR EXCELLENCY, IN
MY NAME, ESTEEM AND APPRECIATION FOR THE ASSISTANCE AND
THE CLEAR UNDERSTANDING THAT HAS MARKED YOUR ADMINISTRATION'S
(RELATIONS TOWARD) THE KINGDOM IN
PARTICULAR, AND THE ARAB WORLD IN GENERAL. I PRAISE YOUR
KEEN UNDERSTANDING OF THE COMPLEXITIES OF INTERNATIONAL
POLITICS, AND YOUR NOBLE POSITION ON BEHALF OF RIGHT AND
JUSTICE. I WISH YOUR EXCELLENCY A PEACEFUL LIFE
CONJOINED WITH LASTING HEALTH, HAPPINESS, AND CONTINUED
SUCCESS, FOR THE PEOPLE OF THE
UNITED STATES OF AMERICA, I WISH PROGRESS AND PROSPERITY.

HIS ROYAL HIGHNESS THE CROWN PRINCE AND HIS
ROYAL HIGHNESS PRINCE SAUD AL FAISAL (ALSO) SEND THEIR BEST
WISHES TO YOUR EXCELLENCY; MAY GOD PRESERVE YOU AND HAVE
YOU ALWAYS IN HIS KEEPING.

(SEAL)

KING KHALID BIN ABD AL-AZIZ AL SAUD

END QUOTE

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